

# House File 2301 - Introduced

HOUSE FILE 2301

BY BELL

## A BILL FOR

1 An Act allowing county treasurers to collect restitution  
2 owed to a district court, certain debts owed to or being  
3 collected by the state, and delinquent debt owed to the  
4 clerk of the district court from a person renewing a vehicle  
5 registration, and providing a fee.  
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 321.40, subsection 4, Code Supplement  
2 2009, is amended to read as follows:

3 4. a. The county treasurer shall refuse to renew the  
4 registration of a vehicle registered to a person when notified  
5 by the department through the distributed teleprocessing  
6 network that the person has not paid restitution as defined  
7 under section 910.1, subsection 4, to a clerk of the court  
8 located within the state. Each clerk of court shall, on a  
9 daily basis, notify the department through the Iowa court  
10 information system of the full name, and social security  
11 number, and amount due for restitution, including all  
12 applicable fees and penalties, of all persons who owe  
13 delinquent restitution and the full name and social security  
14 number, if applicable, of all persons whose restitution  
15 obligation has been satisfied or canceled. This subsection  
16 does not apply to the transfer of a registration or the  
17 issuance of a new registration.

18 b. The county treasurer of the county of the person's  
19 residence and in which the person's vehicle is registered  
20 may collect restitution on behalf of a clerk of the district  
21 court located within the state from a person applying for  
22 renewal of a vehicle registration. The applicant may remit the  
23 amount due for restitution along with a processing fee of five  
24 dollars to the county treasurer at the time of registration  
25 renewal. Upon payment of the required restitution, the  
26 processing fee, and the vehicle registration fee, the county  
27 treasurer shall issue the registration to the person. A county  
28 treasurer collecting restitution for a clerk of the district  
29 court shall update vehicle records on a daily basis through  
30 the distributed teleprocessing network for all persons whose  
31 restitution obligations have been satisfied or canceled by the  
32 county treasurer. On a monthly basis, the county treasurer  
33 shall forward all restitution funds collected to the department  
34 of revenue for disbursement to the respective clerks of the  
35 district court where the plans of restitution were filed.

1     Sec. 2. Section 321.40, subsection 6, Code Supplement 2009,  
2 is amended to read as follows:

3     6. a. The department or the county treasurer shall refuse  
4 to renew the registration of a vehicle registered to the  
5 applicant if the department or the county treasurer knows that  
6 the applicant has a delinquent account, charge, fee, loan,  
7 taxes, or other indebtedness owed to or being collected by the  
8 state, from information provided pursuant to sections 8A.504  
9 and 421.17. An applicant may contest this action by requesting  
10 a contested case proceeding from the agency that referred the  
11 debt for collection pursuant to section 8A.504. The department  
12 of revenue and the department of transportation shall notify  
13 the county treasurers through the distributed teleprocessing  
14 network of all persons who owe such a charge, fee, loan, taxes,  
15 or other indebtedness.

16     b. The county treasurer of the county of the person's  
17 residence and in which the person's vehicle is registered may  
18 collect a charge, fee, loan, taxes, or other indebtedness owed  
19 to or being collected by the state from a person applying  
20 for renewal of a vehicle registration. The applicant may  
21 remit full payment of the charge, fee, loan, taxes, or other  
22 indebtedness including applicable fees and penalties, along  
23 with a processing fee of five dollars, to the county treasurer  
24 at the time of registration renewal. Upon full payment of  
25 the required charge, fee, loan, taxes, or other indebtedness  
26 including applicable fees and penalties, the processing fee,  
27 and the vehicle registration fee, the county treasurer shall  
28 issue the registration to the person. A county treasurer  
29 collecting on behalf of the department of revenue shall update  
30 the vehicle registration records through the distributed  
31 teleprocessing network on a daily basis for all persons  
32 whose charge, fee, loan, taxes, or other debt payable to the  
33 department of revenue has been satisfied or canceled by the  
34 county treasurer. On a monthly basis, a county treasurer shall  
35 forward all funds collected for the department of revenue to

1 the department of revenue.

2     Sec. 3. Section 321.40, subsection 9, Code Supplement 2009,  
3 is amended by adding the following new paragraph:

4     NEW PARAGRAPH. *c.* Notwithstanding paragraph "a", the county  
5 treasurer of the county of the person's residence and in which  
6 the person's vehicle is registered may collect delinquent court  
7 debt on behalf of a clerk of the district court located within  
8 the state from a person applying for renewal of a vehicle  
9 registration, unless the clerk of the district court notifies  
10 the county treasurer that the person's debt must be paid in  
11 person to the clerk of the district court. The clerk of the  
12 district court shall, on a daily basis, notify the department  
13 through the Iowa court information system of the amount of  
14 payment required from a person identified under paragraph "a"  
15 in order to allow the person to renew a vehicle registration.  
16 The applicant may remit payment of the amount required by  
17 the clerk of the district court along with a processing  
18 fee of five dollars to the county treasurer at the time of  
19 registration renewal. Upon payment of the amount required by  
20 the clerk of the district court, the processing fee, and the  
21 vehicle registration fee, the county treasurer shall issue the  
22 registration to the person. A county treasurer collecting  
23 delinquent court debt for the clerk of the district court shall  
24 update vehicle records on a daily basis through the distributed  
25 teleprocessing network for all persons whose court debts have  
26 been satisfied or canceled by the county treasurer and transfer  
27 the court debt funds collected under this paragraph to the  
28 clerk of the district court.

29     Sec. 4. Section 321.152, Code 2009, is amended by adding the  
30 following new subsection:

31     NEW SUBSECTION. 2A. The five dollar processing fee charged  
32 by a county treasurer for collection of restitution pursuant to  
33 section 321.40, subsection 4; the collection of debts payable  
34 to the department of revenue pursuant to section 321.40,  
35 subsection 6; or the collection of debt owed to a clerk of the

1 district court pursuant to section 321.40, subsection 9, shall  
2 be retained for deposit in the county general fund.

3 Sec. 5. Section 321.153, Code 2009, is amended to read as  
4 follows:

5 **321.153 Treasurer's report to department.**

6 1. The county treasurer on the tenth day of each month shall  
7 certify to the department a full and complete statement of all  
8 fees and penalties received by the county treasurer during  
9 the preceding calendar month and shall remit all moneys not  
10 retained for deposit under section 321.152 to the treasurer of  
11 state.

12 2. The distributed teleprocessing network shall be used  
13 in the collection, receipting, accounting, and reporting of  
14 any fee collected through the registration renewal or title  
15 process, with sufficient time and financial resources provided  
16 for implementation.

17 3. This section does not apply to fees collected or retained  
18 by a county treasurer pursuant to participation in county  
19 issuance of driver's licenses under chapter 321M.

20 4. This section does not apply to processing fees charged by  
21 a county treasurer for collection of restitution pursuant to  
22 section 321.40, subsection 4; the collection of debts payable  
23 to the department of revenue pursuant to section 321.40,  
24 subsection 6; or the collection of court debt owed to a clerk  
25 of the district court pursuant to section 321.40, subsection 9.

26 EXPLANATION

27 This bill expands the ability of county treasurers to  
28 collect certain moneys owed to a district court or the state  
29 from persons applying for renewal of a vehicle registration.

30 Currently, a treasurer is required to refuse registration  
31 renewal if the treasurer is notified by the department of  
32 transportation that the applicant has not paid restitution  
33 to a clerk of court in the state. The applicant must remit  
34 the restitution directly to the clerk of court before the  
35 vehicle registration can be renewed. The bill allows the

1 county treasurer to collect the restitution from the applicant  
2 and to then renew the registration. The county treasurer is  
3 required to update the vehicle records through the distributed  
4 teleprocessing network on a daily basis for persons whose  
5 restitution obligations have been satisfied or canceled by  
6 the county treasurer and forward all restitution funds to the  
7 department of revenue on a monthly basis for distribution to  
8 the applicable clerks of court.

9 Current law requires a county treasurer to refuse to renew  
10 a vehicle registration if the treasurer knows that the person  
11 has a delinquent account, charge, fee, loan, taxes, or other  
12 indebtedness owed to or being collected by the state. The  
13 person has to address the debt before the county treasurer  
14 can renew the registration of the person's vehicle. The bill  
15 provides a process for collection of such debts by the county  
16 treasurer on behalf of the department of revenue. The county  
17 treasurer may collect the amount owed prior to issuing the  
18 registration renewal. The treasurer is required to update the  
19 vehicle records through the distributed teleprocessing network  
20 on a daily basis for persons whose debts have been satisfied  
21 or canceled by the county treasurer and forward the amounts  
22 collected to the department of revenue on a monthly basis.

23 Current law also requires the county treasurer to refuse  
24 to renew a vehicle registration for an applicant who owes  
25 delinquent court debt that is being collected by a county  
26 attorney. However, if the person enters into a payment plan  
27 satisfactory to the county attorney, the county treasurer  
28 may temporarily lift the registration hold and renew the  
29 applicant's vehicle registration. The bill allows the county  
30 treasurer to collect delinquent court debt on behalf of a clerk  
31 of the district court in the state and renew the applicant's  
32 vehicle registration, unless the treasurer is notified that  
33 the debt must be paid in person to the clerk of court. The  
34 clerk of court is required to provide daily notification to the  
35 department of transportation through the Iowa court information

1 system of the amount of payment required before the applicant's  
2 registration can be renewed. The county treasurer is required  
3 to update the vehicle records through the distributed  
4 teleprocessing network on a daily basis for persons whose court  
5 debts have been satisfied or canceled by the county treasurer  
6 and transfer the funds collected to the clerk of court.

7 If an applicant for renewal of a vehicle registration  
8 chooses to make payment to the county treasurer for restitution  
9 owed to the court; for a charge, fee, loan, taxes, or other  
10 indebtedness owed to the state; or for delinquent court debt  
11 owed to the clerk of the district court, the applicant is  
12 required to pay a \$5 processing fee to the county treasurer,  
13 which is to be deposited in the county general fund.